

are not any willing carriers out there who are going to step forward and say, well, we believe that there is insurable risk here and we will offer this product. Really? They will offer the product if the government becomes the guarantor, and then the real question is, well, then does THE government have to become the guarantor in order for them to make a profit and deliver it?

We have a great concern about the viability of an insurance-based product, and that is the reason five Members of Congress have come together and we have drafted a completely different approach.

What I would like to do is share the principles of our approach. Our Medicare prescription drug package proposes, number one, a generous assistance to low-income seniors and the disabled, a defined contribution. We have a specifically defined assistance to all seniors that rely on income. We also have family-friendly participation through a tax benefit. We also encourage participation by employers through a tax benefit, and we also have a stop-loss coverage for high-risk drugs to all seniors. We also provide a bridge to comprehensive reform for long-term solvency that we call enhanced Medicare, and what we are trying to do is provide choices for seniors with lower prices in a private sector approach.

What does all this mean? All this means is that what we hope to accomplish is that we turn to those in the private sector to have what we call a value card, and these different groups, companies could be approved by CMS, and they then, by virtue of their membership and their purchasing power, they provide discounts. An individual would have a discount card. They are automatically enrolled. They can opt out, but they are automatically in. It costs \$30, and then government, based on their income, adds dollars to their card, and then they are able to take this card and they can swipe it down at the drugstore and they keep track of the drugs for which they purchase.

Where we want to be family friendly is often we say, parents, get active in the lives of your children. Well, I also want to turn and say, children, get active in the lives of your parents. So if you have an elderly parent who also needs assistance to buy drugs, I do not know why children are not getting more involved in the lives of their parents. What they can do is they can get a \$4,000 tax deduction, and they can add \$4,000 then to their parents' drug card. We think this is being very family friendly.

We also have a catastrophic coverage and we think that is important. And tomorrow, hopefully, there will be a Republican conference to cover both these proposals.

CHILD TAX CREDIT

The SPEAKER pro tempore (Mr. FEENEY). Under a previous order of the House, the gentlewoman from Illinois

(Ms. SCHAKOWSKY) is recognized for 5 minutes.

Ms. SCHAKOWSKY. Mr. Speaker, it is stunning to me that whenever Democrats stand up on behalf of working families that our colleagues on the other side of the aisle start shaking their finger and saying, oh, the tax-and-spend Democrats. It is really amazing and takes an incredible amount of nerve for the Republicans to still want to wear that jacket of fiscal responsibility and to invoke it when we start talking about working families like this.

Let us remember that the President was handed a \$5 trillion surplus, surpluses as far as the eye could see. That is gone, blew that; and now we are at about a, according to the former Secretary, they are charging about a \$4 trillion projected deficit, a debt, on top of that, and in a very short time we are almost \$1 trillion in deficit. That means more money spent than we have brought in.

They like to talk about the war: Oh, we had to spend all that money on homeland security. And indeed, we did, but let us remember that most of that deficit is caused because we are giving tax cuts to the wealthiest.

Now the excuse is, well, this family, the Johnstons who make only \$19,000, they do not deserve a tax cut, they say, because they do not pay tax. Hello, these are people who are paying a payroll tax. They pay sales tax, they pay excise taxes, like taxes on the gasoline they buy to get to their jobs, and they pay a payroll tax.

Think for a minute. What are the only taxes that have not been reduced? We are not talking about dividend taxes, most of the people who clip coupons, the taxes that they pay. We are not talking about the taxes on high incomes. We are talking about the taxes that everyday working people pay. That is what we are trying to do with the child tax credit, for families like that, so that they can take it and buy formula or baby food for this baby, so that they can provide for her. And that is what we are trying to do.

My colleagues notice this family is not smiling, but I want to show them the face of some people who are, in fact, smiling. Why are they smiling? A report by the Committee on Government Reform minority staff on the tax bill found that Treasury Secretary Snow's estimated dividend and capital tax savings is between \$331,000 and \$842,000. That is a 1-year tax cut. No wonder he is smiling.

Secretary Evans could see between \$68,000 and \$595,000 in tax savings.

Vice President CHENEY, who is not in the picture but is probably smiling at some undisclosed location, will reap \$116,000 a year from the dividend capital gains provisions in the tax cut. In fact, the total tax savings for President Bush, Vice President CHENEY, and the Cabinet could be up to \$3.2 million. If I were a member of the Cabinet, I would probably be smiling, too.

In my State, 674,000 children and 378,000 families are not smiling. Nearly 1 in 4 families in Illinois were left behind. Now, of course, they say if we take care of them we are just tax-and-spend. Tell me that we do not have enough money when we are giving tax breaks like that to not only the wealthiest in the private sector but these individuals who are serving us now as members of the Cabinet.

Behind closed doors in final negotiations of the tax cut bill for millionaires, the White House and Republican leaders exterminated the child tax credit provision that would have helped families like the Johnstons and others making between \$10,500 and \$26,625. That is the people that we are talking about, people who in their lifetime it will take years and years and years to earn what these individuals will get in 1 year in a tax cut. By eliminating that provision, Republicans were guaranteeing that millionaires like Secretary Snow and Secretary Evans get their full tax cut.

It did not take long for the American people to find out that their neighbors and their friends got the short end of the Republican tax cut stick, and that is why the United States Senate was shamed into passing a Democratic proposal to provide those low-income families with their well-deserved child tax credit that was removed in a secret deal by Vice President CHENEY.

They passed a restoration of the tax cut for those lower-income families, working families by, 94-2. But what are we hearing on this side? Majority Leader DELAY said, "It ain't going to happen." Well, I want to say that I think it ought to happen, I think it will happen, and we need to make it happen.

PRESCRIPTION DRUG PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, we have heard the word "outrage" used several times on the House floor, and I rise tonight to talk about the outrageous prices that American consumers pay for prescription drugs. And I have behind me a chart, and I apologize for those here on the floor and Members who may be watching on their television sets, it is a little hard to read. But I want to go through this because what it compares is what Americans pay, on average, and this varies because we have a very complicated average wholesale price situation formula they use here in the United States, but these are the average prices, and these are prices that we actually checked ourselves.

People have questioned some of the credibility of the sources that I have used. So we did our own research and we went to Munich, Germany about a month ago, and we bought 10 of the most commonly prescribed drugs in the United States. And let us run through.